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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

In the Matter of:

Bentonville Post Office
Bentonville, Ohio

Docket No. A2011-58

UNITED STATES POSTAL SERVICE <u>COMMENTS REGARDING APPEAL</u> (October 24, 2011)

On August 31, 2011, the Postal Regulatory Commission (Commission) received an appeal postmarked August 24, 2011, from postal customer Linda Naylor on behalf of the citizens of Bentonville, Ohio (Petitioner) objecting to the discontinuance of the Post Office at Bentonville, Ohio. On September 1, 2011, the Commission issued Order No. 838, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 838, the Postal Service filed the administrative record with the Commission on September 9, 2011. The Petitioner and eight other customers of the Bentonville Post Office (Ms. Bailey, Ms. Jarvis, Mr. Kirker, Mr. Naylor, Ms. Pence, Reverend Shively, Judge Spencer, and Reverend Young) filed Form 61 Participant Statements or supplemental correspondence with the Commission in support of the appeal.

The appeal received by the Commission on August 31, 2011 raises two main issues: the effect on postal services, and the impact upon the Bentonville community. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's

statutory obligations and Commission precedent,¹ the Postal Service gave consideration to a number of other issues, including the impact upon postal employees. Accordingly, the determination to discontinue the Bentonville Post Office should be affirmed.

Background

The Final Determination to Close the Bentonville NC Post Office and Extend Service by Rural Route Service (FD), as well as the administrative record, indicate that the Bentonville Post Office provides EAS-55 level service to customers who have rented 28 of the 106 available Post Office Boxes, as well as to retail customers, 36 hours per week. FD at 2; Item 18 (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Fact Sheet"), at 12; Item 15, Post Office Survey Sheet. The Postmaster of the Bentonville Post Office passed away on July 6, 2010. The facility is housed in the basement of former Postmaster's family's home. The former Postmaster's son was installed as the temporary officer-in-charge (OIC), a noncareer position. Upon implementation of the final determination, the OIC may be reassigned to another office or be separated from the Postal Service when the office is discontinued. The average number of daily retail window transactions at the Bentonville Post Office is four. Revenue has declined: \$4,996 in FY 2008 (13 revenue units); \$4,950 in FY 2009 (13

¹ See 39 U.S.C. 404(d)(2)(A).

² In these comments, specific items in the administrative record are referred to as "Item ____." The numbers for each Item are listed in the far left column of the "Bentonville Docket" at the beginning of the Administrative Record.

³ FD, at 4, 10; Item 33, Proposal to Close the Bentonville, NC Post Office and Extend Service by Rural Route Service ("Proposal") at 2; Item No. 10, Post Office Survey Sheet; Item 18, Fact Sheet.

revenue units); and \$4,237 (11 revenue units) in FY 2010.⁴ The Bentonville Post Office has no meter or permit customers. FD at 2; Item 33, Proposal, at 2; Item 15, Post Office Survey Sheet.

Upon implementation of the final determination, delivery and retail services will be provided by rural route delivery administered by the Manchester Office, an EAS-18 level office located approximately five miles away, which has 181 available Post Office Boxes that are accessible twenty-four hours a day. FD at 2; Item 18, Fact Sheet.

The Postal Service followed the proper procedures which led to the posting of the FD. All issues raised by the customers of the Bentonville Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means. Questionnaires were distributed to delivery customers of the Bentonville Post Office. Questionnaires were also available over the counter for retail customers at Bentonville. FD at 2; Item 20, Questionnaire Instruction Letter from Post Office Review Coordinator to OIC/Postmaster at Bentonville Post Office. A letter from the Manager of Post Office Operations, Area 3, was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Bentonville Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the Manchester Post Office. The letter invited customers to complete and return a customer questionnaire and to express their

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⁴ FD, at 2; Item 18, Fact Sheet.

opinions about the service they were receiving and the effects of a possible change involving rural route delivery. Item 21, Letter to Customers. The returned customer questionnaires, Optional Comment Forms, and Postal Service response letters appear in the administrative record in Items 22 and 38. In addition, representatives from the Postal Service were available at the Burning Heart Camp to answer questions and provide information to customers on February 17, 2011. FD at 2; Item 21, Letter to Customer; Item 24, Community Meeting Roster; Item 33, Proposal, at 2. Customers received formal notice through postings at the affected Post Offices. The Proposal was posted with an invitation for public comment at the Bentonville Post Office from March 21, 2011 to May 23, 2011. Item 36, Proposal, showing round date-stamped cover sheet. The FD was posted starting on August 3, 2011, as confirmed by the round-dated FD cover sheet that appears in the administrative record. Item 49, FD.⁵

In light of the postmaster vacancy, a minimal workload, declining office revenue,⁶ the variety of delivery and retail options (including the convenience of rural delivery and retail service),⁷ very little projected growth in the area,⁸ minimal impact upon the community, and the expected financial savings,⁹ the Postal Service issued the FD.¹⁰ Regular and effective postal services will continue to be provided to the Bentonville

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⁵ In addition, the Postal Service made several copies of the administrative record available in accordance with its regulations to customers who requested individual copies.

⁶ See note 4 and accompanying text,

⁷ FD, at 2; Item 33, Proposal, at 2.

⁸ Item 16, Community Survey Sheet. The Adams County engineer's office does not expect residential or business grown in Bentonville.

⁹ FD, at 8-10; Item 18, Fact Sheet; Item 36, Proposal, at 2, 9-10.

¹⁰ FD. at 2, 8-10.

community in a cost-effective manner upon implementation of the final determination. FD at 2.

Each of the issues raised by the Petitioner is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Bentonville Post Office on postal services provided to Bentonville customers. The closing is premised upon providing regular and effective postal services to Bentonville customers.

The Petitioner and those submitting Participant Statements and supplemental letters, raise the issue of the effect on postal services of the Bentonville Post Office's closing, noting the convenience of the Bentonville Post Office and requesting its retention. The Postal Service has considered the impact of closing the Bentonville Post Office upon the provision of postal services to Bentonville customers. Upon implementation of the final determination, services provided at the Post Office, such as the sale of stamps, envelopes, postal cards and money orders will also be available from the carrier to a roadside mailbox by rural route delivery emanating from the Manchester Post Office. FD at 3, 11. Rural route delivery to mailboxes installed on the carrier's line of travel provides access to retail service that is similar to that in post offices, thereby alleviating the need to travel to the Post Office. Most transactions do not require meeting the carrier at the mailbox. FD at 3, 5, 6; Item 33, Proposal at 2-3;

Item 23, Postal Service Customer Questionnaire Analysis at 2-3. All rural carriers can provide customers with the form to order stamps and money orders. Customers mark their stamp selection on the form and enclose a check, money order or cash, place it in their mailbox and raise the flag. The carrier will collect mail when serving the route. Customers can also purchase stamps over the telephone by calling a toll-free number. FD at 3; Item 28, Postal Service response to Congressional inquiry, at 1.

In addition, carrier service is beneficial to many senior citizens and customers who face special challenges because the carrier can provide delivery and retail services to roadside mailboxes. Customers do not have to make a special trip to the post office for service. FD at 3, 5-6; Item 33, Proposal at 2-3; Item 23, Postal Service Customer Questionnaire Analysis at 2. Special provisions can be made for hardship cases or special customer needs. To request an exception for hardship delivery, customers may contact the administrative postmaster at Manchester for more information, and any request for a change in delivery method must be submitted in writing to the administrative postmaster at Manchester. Changes in the type of delivery are considered where service by existing methods would impose an extreme physical hardship for an individual customer. FD at 3, 5, 6; Item 33, Proposal at 2, 3, 5.

The effect of the closing of the Bentonville Post Office on the shipping of packages and the efficiency and timeliness of rural route service was also considered by the Postal Service. Rural carriers will accept any letters or packages up to 13 ounces for mailing. The customer should raise the flag on the mailbox to alert the

carrier to collect outgoing mail from the mailbox. For carrier pick-up of packages, customers can contact the Manchester Post Office, letting the carrier know that a package is available for pick up. The carrier can deviate from the line of travel in order to receive packages. The rural carrier will accept letters, flats or packages for mailing. The carrier will estimate the cost and provide a receipt for any money received. On the following delivery day, the carrier will provide change or a bill for the amount over the estimate. FD at 3, 7; Item 33, Proposal at 4. Rural carriers will deliver packages that fit into the rural mailbox. The rural carrier can bring accountable mail and packages that require signature to the customer's door for signature. FD at 7; Item 33, Proposal at 7; Item 25, Postal Service Customer Community Meeting Analysis at 2.

Various options exist for the shipping of packages and purchase of stamps and shipping labels. These features are explained on www.usps.com. If internet access is available, customers can request free package pickup at www.usps.com, which allows for scheduling the pickup of packages at the same time the carrier delivers the mail.

Item 28, Postal Service Response to Congressional inquiry, at 1, 7.

Although carriers strive to provide service at approximately the same time on a daily basis, mail volumes and weather conditions often affect delivery times. The carrier is required to provide a vehicle of adequate size, equipped with necessary equipment (chains or snow tires, warning lights or signs, etc.) to serve the route safely and efficiently and in accordance with federal, state and local motor vehicle laws and regulations. FD at 4; Item 33, Proposal at 4. A customer's location on a carrier's line of travel determines the time of day mail is delivered. This precludes providing early

delivery of mail to every customer because not matter how the Postal Service structures a route, somebody must be last. FD at 4; Item 33, Proposal at 4. Customers who desire special services from the rural carrier can leave a note in the mailbox instructing the carrier to sound his horn, and then meet the carrier to receive services. FD at 3, 6; Item 33, Proposal at 4.

Customers may elect to receive Post Office Box service from Manchester located 5 miles away, and are not required to erect rural mailboxes. FD at 5.

However, customers who elect to erect mailboxes may contact the Postmaster at Manchester to determine the proper mailbox location and installation method to minimize potential damage to the mailbox. FD at 4-6. Item 33, Proposal at 5-6.

The Petitioner and others also express concern about the security of the mail delivered to rural mailboxes. A questionnaire was sent to the Postal Inspection Service concerning mail theft and vandalism. Postal Inspection Service records indicate that there has not been any report of mail theft or vandalism in the area. FD at 10; Item 33, Proposal at 3; Item 14, Possible Discontinuance of PO. The Postal Service advised that customers concerned about mail theft may place a lock on their mailboxes. The Postal Service does not open mailboxes that are locked and does not accept keys for this purpose. In addition, customers may install a heavier gauge metal box or brick veneer a mail box to make it resistant to vandalism. The mailbox must have a slot large enough to accommodate the customer's normal daily mail volume. FD at 5, 7; Item 33, Proposal at 3, 6-7; Item 25, Postal Service Customer Community Meeting Analysis at 1.

Thus, the Postal Service has properly concluded that all Bentonville customers will continue to receive regular and effective service via rural route delivery to mailboxes installed on the carrier's line of travel. Most transactions do not require meeting the carrier at the mailbox. Stamps by Mail and Money Order Application forms are available for customer convenience. FD at 5; Item 33, Proposal at 3; Item 38, Proposal Comments and Postal Service response letters at 30, 32.

Effect Upon the Bentonville Community

The Postal Service is obligated to consider the effect of its decision to close the Bentonville Post Office upon the Bentonville community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Bentonville is an unincorporated community located in Adams County, Ohio. The community is administered politically by Adams County. Police protection is also provided by Adams County. Fire protection is provided by Manchester, Ohio. There are several businesses and churches located in the Bentonville community. The community is comprised of farmers, retirees and self-employed residents, those who work in local businesses, and those who commute to work at nearby communities. FD at 8; Item 33, Proposal at 9; Item 16, Community Survey Sheet. The grade school is located in Manchester, and the overwhelming majority of customers who returned

questionnaires to the Postal Service indicated that they travel outside Bentonville for supplies and services. Item 22, Returned Customer Questionnaires.

The Petitioner's letter of appeal, and letters and Participant Statements filed by the Petitioner and other Bentonville customers raise the issue of the effect of the closing of the Bentonville Post Office upon the Bentonville community. This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 8-10; Item 40, Analysis of 60-Day Posting Comments at 1, 3; Item 33, Proposal at 9-11. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. Item 33, Proposal at 10; Item 38, Proposal Comments and Postal Service Response Letters at 14, 17. The record makes clear that the Postal Service is addressing this concern through preservation of community identity by continuing the use of the Bentonville name in addresses. TD at 6; Item 33, Proposal at 2; Item 40, Analysis of 60-Day Posting Comments at 3.

Communities generally require regular and effective postal services and these will continue to be provided to the Bentonville community. The proposed alternate delivery service will meet the mailing and service needs in an effective matter. FD at 5, 9. There is no indication that the business community will be adversely affected by the closing of the Bentonville Post Office. The Adams County Engineer's Office does not expect residential or business growth in Bentonville. Item 16, Community Survey Sheet. Carrier services will be able to meet the needs of the business community and

To ensure effective and regular service, the Postal Service has determined that it is necessary for the ZIP Code will change. Item 40, Analysis of 60-Day Posting Comments at 3.

accommodate future growth. Most new businesses moving to a community do not depend on the location of a Post Office, but instead on the Postal Service providing effective and regular postal services. Item 33, Proposal at 10.

The Postal Service has concluded that nonpostal services provided by the Bentonville Post Office can be provided by the Manchester Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD at 8; item 33, Proposal at 9.

The Petitioners also raise historical issues related to the long-serving Postmaster and the Post Office. The historic accomplishments of the previous Postmaster of the Bentonville Post Office, who was recognized as being both the oldest and longestserving Postmaster in the United States, will always remain a part of the community's history. FD at 9, Item 33, Proposal at 4, 7, 9. The current location of the Post Office, in the basement of the former Postmaster's home, has its own history. The Postal Service has served the Bentonville community from other locations that are also part of the history of the community, but these locations are no longer there or are used for other activities. FD, at 7, 9; Item 22, Returned Customer Questionnaires at 49-50, "Brief History of Bentonville, Ohio 1839-1976" attached to Questionnaire returned by Petitioner; Petitioner's appeal at 2. The proposed change to the postal services in the Bentonville community will be another stage in the history of how the Postal Service serves the residents of Bentonville. FD at 3, 7, 9; Item 33, Proposal at 4. The Postal Service advised Bentonville customers concerned about the loss of the Post Office as a gathering place and information center, that they may continue to meet informally,

socialize, and share information at the other businesses, churches, and residences in town. FD at 9; Item 33, Proposal at 11.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Bentonville Post Office on the community served by the Bentonville Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Bentonville Post Office and would still provide regular and effective service. FD at 5; Item No. 21, Letter to Customers. The rural carrier would only add 15 stops and 2 miles to the current line of travel at an estimated annual cost of around \$1,500.00. FD at 6; Item 33, Proposal at 6; Item 25, Postal Service Customer Community Meeting Analysis at 1. The estimated annual savings associated with discontinuing the Bentonville Post Office are \$34,134.00. FD at 10-11; Item 33, Proposal, at 12.

The Postal Service has broad experience with available options. The Postal Service has determined that rural route service is the most appropriate solution for providing regular and effective service to the Bentonville community.

Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies,

which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 10-11; Item 33, Proposal, at 12.

The Postal Service determined that carrier service is more effective than maintaining the Bentonville postal facility and postmaster position. FD, at 6. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster passed away July 6, 2010. Her son was installed as the temporary officer-in-charge (OIC). Upon implementation of the final determination, the noncareer OIC may be reassigned to another office or separated from the Postal Service. FD at 6; Item 15, Post Office Survey Sheet. The record shows that no other employee would be affected by this closing. FD, at 6, 7; Item 15, Post Office Survey Sheet; Item 33, Proposal, at 2, 12. Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Bentonville Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Bentonville Post Office on the provision of postal services and on the Bentonville

community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Bentonville customers. FD, at 11. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Bentonville Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Bentonville Post Office be affirmed.

Respectfully submitted,

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of 39 U.S.C. § 404(d)(2)(A).